

## Message Text

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16

ACTION EB-06

INFO OCT-01 ARA-06 ISO-00 AGR-05 CIAE-00 COME-00 INR-05

LAB-01 NSAE-00 RSC-01 SP-02 STR-01 TRSE-00 SWF-01

CIEP-01 FRB-01 OMB-01 L-01 SS-15 /048 W

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R 312309Z OCT 74

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 4600

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E.O. 11652 N/A

TAGS: ETRD, MX

SUBJ: ALLENBERG COTTON CONTRACT PROBLEMS

REF: MEXICO 8059

1. EMBASSY HAS BEEN FOLLOWING UP AIDE-MEMOIRE ON ALLENBERG CASE WITH RAUL ROEL MARTINEZ, ASSISTANT SUB-DIRECTOR GENERAL OF INTERNATIONAL ECONOMIC AFFAIRS, FOREIGN OFFICE, WHO WAS DESIGNATED TO HANDLE MATTER BY LIC. HUGO DIAZ THOME (SEE REFTEL).

2. ROEL INFORMED EMB ECON OFF OCTOBER 31 THAT AIDE-MEMOIRE HAS NOW BEEN OVERTAKEN BY EVENTS, DUE TO ALLENBERG SUIT (COPY OF COURT PAPERS POUCHED ARA/MEX) TO RECOVER DAMAGES AS RESULT ALLEGED FAILURE OF MEXICANS TO DELIVER COTTON PER CONTRACT TERMS. IT IS NO LONGER A QUESTION, ROEL STATED, OF DELIVERING THE COTTON ON THE PREVIOUSLY-AGREED TERMS, WHICH GIVEN THE MARKED DECLINE IN WORLD COTTON PRICES, MEXICO WOULD BE GLAD TO DO. ROEL ADDED THAT HERBERT BROWN, ALLENBERG'S MEXICO REPRESENTATIVE, HAD BEEN IN TOUCH WITH FONOFF AND WAS PRESENTING ALLENBERG'S CASE FOR 5 MILLION PESOS (US\$400,000) DAMAGES TO APPROPRIATE FONOFF OFFICIALS. ROEL SAID HE DOUBTED FONOFF COULD APPROPRIATELY TAKE ACTION IN CASE, WHICH IS OF COURSE NOW PENDING IN COURT, THOUGH POSSIBILITY DOES EXIST THAT BANCO AGRARIO MIGHT ITSELF DECIDE TO SETTLE WITH ALLENBERG IN RETURN FOR U.S. FIRM'S DROPPING

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OF DAMAGE SUIT IN MEXICAN COURTS.

3. COMMENT: EMBASSY WAS SURPRISED TO LEARN THAT ALLENBERG  
REPS HAVE MADE OWN CALLS AT FONOFF, WHICH IS UNUSUAL STEP. IN  
ANY CASE ROEL OF FONOFF WILL KEEP EMBASSY INFORMED OF DEVELOP-  
MENTS, WHICH WILL BE REPORTED PROMPTLY TO DEPARTMENT.  
JOVA

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COTTON, TRADE COMPLAINTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 OCT 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974MEXICO09265  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740312-0665  
**From:** MEXICO  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1974/newtext/t1974103/aaaaacdu.tel  
**Line Count:** 67  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** MEXICO 8059  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18 SEP 2002 by boyleja>; APPROVED <10 MAR 2003 by boyleja>  
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**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ALLENBERG COTTON CONTRACT PROBLEMS  
**TAGS:** ETRD, MX, (DIAZ THOME, HUGO), (ALLENBERG)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005